



Department of Justice

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JAPANESE FIRM AGREES TO PLEAD GUILTY TO CONSPIRACY TO OBSTRUCT JUSTICE

WASHINGTON, D.C. – A Japanese firm, CMET Inc., has agreed to plead guilty and to pay a \$100,000 criminal fine for conspiring to obstruct justice in connection with the settlement of a merger case, the Department of Justice announced today.

According to the one-count felony charge filed in the U.S. District Court in Washington, D.C., from at least June 2001 until at least May 2002, CMET Inc. (CMET) participated in a conspiracy to corruptly influence, obstruct, or impede the administration of justice, in connection with consent decree proceedings in the Industrial Rapid Prototyping (IRP) industry.

On June 6, 2001, the Department's Antitrust Division filed a lawsuit and proposed consent decree regarding a merger involving the IRP industry. CMET manufactures IRP systems and related materials which involve a process by which a machine transforms a computer design for a mechanical or other part into a three-dimensional prototype or model. Rapid prototyping is significantly faster and less expensive than traditional methods of creating a prototype, such as machining, milling or grinding.

CMET and its co-conspirators are charged with carrying out the conspiracy by, among other things:

- Concealing from the Department of Justice (DOJ) the full extent and nature of the contemplated business relationship between CMET and its co-conspirators and CMET's

principal motivation for bidding on a technology license being offered under the terms of the consent decree in the merger case;

- Procuring CMET's bid for the technology license offered in the consent decree proceedings based on covert understandings between CMET and its co-conspirators concerning future business dealings and the settlement of a patent dispute which, if known to the DOJ, could have disqualified CMET's technology license bid;
- Altering the translations of documents which CMET submitted to DOJ in connection with its application to acquire the technology license; and
- Making misrepresentations, in writing and orally in meetings with representatives of the DOJ, concerning CMET's intent to vigorously compete in the United States if granted the technology license.

"Today's charge and plea demonstrates our ongoing commitment to prosecute illegal conduct and protect the integrity of the consent decree process," said Scott D. Hammond, Deputy Assistant Attorney General in charge of the Antitrust Division's Criminal Enforcement Program.

CMET's \$100,000 criminal fine is subject to court approval.

CMET is charged with conspiracy to obstruct justice, which violates 18 U.S.C. § 371, and carries a maximum fine of \$500,000 for companies.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section. Anyone with any information concerning anti-competitive conduct or the obstruction of the consent decree process in merger cases should contact the National Criminal Enforcement Section of the Antitrust Division at (202) 307-6694.

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